

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In Re: W.R. GRACE & CO., et al., Debtors.	§ § § § § §	Chapter 11 Jointly Administered Case No. 01-01139 (JKF)
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**FEE AUDITOR'S FINAL REPORT REGARDING
FEE APPLICATION OF BILZIN SUMBERG BAENA PRICE & AXELROD LLP
FOR THE THIRTIETH INTERIM PERIOD**

This is the final report of Warren H. Smith & Associates, P.C., acting in its capacity as fee auditor in the above-captioned bankruptcy proceedings, regarding the Fee Application of Bilzin Sumberg Baena Price & Axelrod LLP for the Thirtieth Interim Period (the "Application").

BACKGROUND

1. Bilzin Sumberg Baena Price & Axelrod LLP ("Bilzin Sumberg") was retained as counsel to the Official Committee of Asbestos Property Damage Claimants. In the Application, Bilzin Sumberg seeks approval of fees totaling \$119,533.50 and expenses totaling \$23,051.07 for its services from July 1, 2008 through September 30, 2008 (the "Application Period").

2. In conducting this audit and reaching the conclusions and recommendations contained herein, we reviewed in detail the Application in its entirety, including each of the time and expense entries included in the exhibits to the Application, for compliance with 11 U.S.C. § 330, Local Rule 2016-2 of the Local Rules of the United States Bankruptcy Court for the District of Delaware, Amended Effective February 1, 2008, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C.

§ 330, Issued January 30, 1996 (the “U.S. Trustee Guidelines”), as well as for consistency with precedent established in the United States Bankruptcy Court for the District of Delaware, the United States District Court for the District of Delaware, and the Third Circuit Court of Appeals. We served an initial report on Bilzin Sumberg, and received a response from Bilzin Sumberg, portions of which response are quoted herein.

DISCUSSION

3. In our initial report, we noted the following court call charge for a call to the bankruptcy court in Florida:

150.00	Long Distance Telephone-Outside Services Court Call - USBC-FL-N-E- ...; Date 9/26/2008 ...
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Thus, we asked Bilzin Sumberg to confirm that this charge was properly billed to the W.R. Grace estate. Bilzin Sumberg responded as follows:

The Fee Auditor correctly noted that Bilzin Sumberg billed \$150.00 in costs for a Court Call charge that did not appear to relate to this case. Bilzin Sumberg has reviewed its records and determined that the charge was inadvertently allocated to this case. As a result, Bilzin Sumberg agrees to an expense reduction in the amount of \$150.00.

We appreciate Bilzin Sumberg’s response and recommend a reduction of \$150.00 in expenses.

CONCLUSION

4. Thus, we recommend approval of \$119,533.50 in fees and \$22,902.07 in expenses (\$23,051.07 minus \$150.00) for Bilzin Sumberg’s services for the Application Period.

Respectfully submitted,

WARREN H. SMITH & ASSOCIATES, P.C.

By: _____

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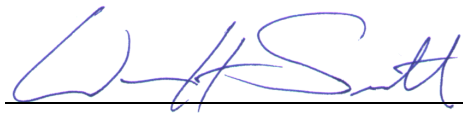
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FEE AUDITOR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served by First Class United States mail to the attached service list on this 3rd day of March, 2009.

_____

Warren H. Smith

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